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HOUSE BILL 429

49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2009

INTRODUCED BY

Nathan P. Cote

AN ACT

RELATING TO TAXATION; CREATING A CREDIT AGAINST PERSONAL INCOME TAX FOR CERTAIN PROPERTY TAXES OF NONRESIDENT WORKERS WHO ARE EMPLOYEES OF A FEDERAL LAW ENFORCEMENT AGENCY LOCATED WITHIN TWENTY MILES OF AN INTERNATIONAL BORDER OF NEW MEXICO.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. A new section of the Income Tax Act is enacted to read:

"[NEW MATERIAL] TAX CREDIT--NONRESIDENT EMPLOYEES--AMOUNT OF NONRESIDENT FEDERAL LAW ENFORCEMENT EMPLOYEE TAX CREDIT.--

A. The tax credit provided by this section may be referred to as the "nonresident federal law enforcement employee tax credit".

B. A nonresident taxpayer who files an individual New Mexico income tax return, who is not a dependent of another

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1 individual and who is an employee of a federal law enforcement
2 agency at a facility in New Mexico that is within twenty miles
3 of an international border may claim a credit if the taxpayer
4 is an employee of a federal law enforcement agency that has
5 qualified pursuant to this section for the calendar year that
6 includes the last day of the taxpayer's taxable year.

7 C. The credit claimed pursuant to this section shall
8 equal the lesser of:

9 (1) the amount of property tax paid by the
10 taxpayer during the taxable year on the taxpayer's primary
11 residence located in a state other than New Mexico; or

12 (2) one thousand nine hundred seventy-five
13 dollars (\$1,975).

14 D. The nonresident federal law enforcement employee
15 tax credit shall only be deducted from the taxpayer's New
16 Mexico income tax liability for the taxable year, and any
17 portion of the credit that remains unused at the end of the
18 taxpayer's taxable year shall not be carried forward.

19 E. A husband and wife who file separate returns for
20 a taxable year in which they could have filed a joint return
21 may each claim only one-half of the credit that would have been
22 allowed on a joint return.

23 F. A taxpayer may claim the nonresident federal law
24 enforcement employee tax credit only for taxable years that
25 begin within three years of the date that the taxpayer

.175745.1

1 commences employment at the federal law enforcement agency's
2 New Mexico facility.

3 G. As used in this section, "facility" means a
4 federal law enforcement facility constructed after January 1,
5 2010."

6 Section 2. DELAYED REPEAL.--Section 1 of this act is
7 repealed effective January 1, 2017.

8 Section 3. APPLICABILITY.--The provisions of this act are
9 applicable to taxable years beginning on or after January 1,
10 2010.

11 Section 4. EFFECTIVE DATE.--The effective date of the
12 provisions of this act is January 1, 2010.

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